



Honolulu Board of Water Supply

TO: ERNEST Y.W. LAU, P.E.
MANAGER & CHIEF ENGINEER

DATE: June 9, 2021

FROM: RAELYNN NAKABAYASHI
EXECUTIVE SUPPORT OFFICE



SUBJECT: Approval of the Revision of the Fiscal Year 2020-2021 Capital Improvement - Program Budget – Amendment No. 3

We request your approval to reduce funding for the following project listed in the FY 2021 Capital Improvement Program (CIP) Budget to provide additional funding to the Contract Adjustment Account.

The Contract Adjustment Account is used to provide additional funding for other CIP projects where the lowest bids are anticipated to come in higher than budgeted and to provide funding for contract change orders to previously awarded contracts.

The recommended deferral and reprogramming of these projects will enable the department to award several projects in the FY 2021 CIP budget without causing any significant delays to the overall CIP construction schedule.

1. Reduce the appropriation for the following CIP project:

Item No. 49 Monitoring Well Assessment and Repair

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	P&E	50,000	\$3,000

Description: Provide well condition assessment and associated repair services for monitor wells.

Reason: The original scope and intent of line item 49 turned out to be more complex contractually than originally envisioned. The contract was therefore not executed, however, during the fiscal year, a field situation required a small portion of the intent of the scope to clear a monitoring well of an obstruction. \$3,000 was allocated to accomplish this task leaving \$47,000 of the original \$50,000 appropriated for the entire project.

2. Increase the CIP Contract Adjustment Account for the following funds:

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND		28,775,000	28,822,000
IMPROVEMENT FUND		1,000,000	1,000,000

The following is a summarization of the FY 2021 CIP Budget Amendment No. 3:

FY 2021 CIP Budget (as Adopted)	\$170,127,500
FY 2021 - Amendment No. 1 (Resolution No. 915 Adopted September 28, 2020)	<u>+\$31,460,000</u>
SUBTOTAL	<u>\$201,587,500</u>
FY 2021 - Amendment No. 2 Projects – Modified Appropriations	(\$4,500,000)
FY 2021 - Amendment No. 2 Projects – Deleted	<u>(\$8,075,000)</u>
SUBTOTAL	<u>(\$12,575,000)</u>
FY 2021 - Amendment No. 2 Contract Adjustment Account	+\$12,575,000
FY 2021 CIP Budget as of Amendment No. 2	<u>\$201,587,500</u>
FY 2021 - Amendment No. 3 Projects – Modified Appropriations	(\$47,000)
FY 2021 - Amendment No. 3 Contract Adjustment Account	+\$47,000
FY 2021 CIP Budget (as Amended)	<u>\$201,587,500</u>

Upon approval, the appropriate pages of the current Capital Improvement Program budget will be revised.

APPROVED/ DISAPPROVED:


ERNEST Y.W. LAU, P.E. Date

cc: Finance
Capital Projects
Water Resources
ESO-MBO (Original)